

CAG report indicts Himachal government

The Times of India News Service

The Times of India (1861-2010); Jul 31, 1998; ProQuest Historical Newspapers: The Times of India
pg. 9

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SHIMLA: The Comptroller and Auditor-General of India report for the year ended March 31 1997, placed in the state assembly on Wednesday, has criticised the working of the state government.

It stated that the assets of the state government stood at Rs 3,523.57 crore while the liabilities were Rs 3,767.55 crore. From 1995-96, the liabilities of the state were higher, it added.

The report stated that the revenue receipts of the government were not sufficient to meet the state's expenditure and the state government was heavily dependent on grants-in-aid from the Centre.

The accumulated losses of 14 public sector undertakings exceeded the government's total investments in them. "The state govern-

ment had invested Rs 208.10 crore up to 1996-97, whereas the accumulated losses amounted to Rs 212.67 crore," the report said.

The CAG report indicted the state government for by-passing the provisions of the Constitution by paying arrangers' fees and upfront discount to investors when it raised loans through the Himachal Pradesh State Forest Corporation. "As the state government was heavily indebted to the Union government, the former by-passed the provisions of Article 293(3) of the Constitution to unjustifiably raise loans through a government to boost its ways and means position," the report said.

It stated that the actual expenditure exceeded the voted grants/charged appropriations by 19 per cent. Deputy commissioners used

more than one vehicle at different places at the same time and on the same dates and the declaration of total literacy in Hamirpur in November 1994 was not based on facts.

The report said the contract for helicopter lease was awarded to the highest tenderer at a rate of Rs 90,000 per hour ignoring the second lowest offer of Rs 75,000 per hour for a helicopter of the required specification, resulting in extra avoidable expenditure of Rs 1.80 crore for the lease period of two years.

In its commercial audit report, the CAG said the accumulated losses of six government companies exceeded their paid-up capital, while the Himachal Pradesh State Forest Corporation understated the net loss.